

**NORTHERN COLLEGE (UNITED REFORMED AND
CONGREGATIONAL)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 AUGUST 2023**

Charity Number 529253

NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

ANNUAL REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

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NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

TRUSTEES REPORT

YEAR ENDED 31 AUGUST 2023

TRUSTEES ANNUAL REPORT

This report fulfils the requirements of the Charities Act 2011 for a Trustees' Annual Report.

Governors and Charity Trustees

The College is governed by an unincorporated Board of Governors who are also the Charity Trustees. This body includes ten nominated Governors, five co-opted Governors and the Principal. The nominated Governors are appointed by the Council of the Congregational Federation, the General Assembly of The United Reformed Church and the students of the College. The Congregational Federation and The United Reformed Church appoint for a term of four years and the students of the College for one year. Co-opted Governors are appointed by the Governors for a term of four years.

The Governors have all served in office throughout the year except where indicated. Together with past Governors who served in the year as indicated, they are:

Nominated by the United Reformed Church (6)

Revd Mark A Bates (S)

Dr Lesley Coote

Mr Willie Duncan (F) – ceased 7 July 2023

Mr John R Grundy

Mrs Margaret Marshall

Revd Raymond S Singh

Nominated by the Congregational Federation (2)

Revd Oliver Kinchin (S)

Revd Alan Kennedy

Nominated by the students of the College (2)

Mrs Carol Clack – commenced 9 April 2023

Mr Walter Johnson – ceased 8 April 2023

Mr Maurice Omorojie – commenced 9 April 2022

Co-opted Governors (4 + 1 vacancy)

Revd David A Herbert – ceased 9 December 2022

Revd Robert Hopcroft

Revd James Kissack

Mrs Jo Patterson

Revd Daleen ten Cate

Ex Officio Governor (1)

Revd Dr Rosalind M Selby (Principal) (F) – ceased 1 February 2023

Revd Dr Adam J Scott (Principal) (F) – commenced 1 February 2023

Membership of Committees is shown by the following letters: - (F) Finance and Resources Committee (formerly the Finance Advisory Group), and (S) Standing Committee.

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OFFICERS:

President	Revd J R Grundy
Secretary	Revd Dr C J Dowd – commenced 6 May 2022
Treasurer	Mr W Duncan – ceased 7 July 2023
	Mr M Hart – commenced 7 July 2023
Principal	Revd Dr R M Selby – ceased 1 February 2023
	Revd Dr A J Scott – commenced 1 February 2023

Principal Address	Luther King House Brighton Grove Rusholme Manchester M14 5JP
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Registered Charity Number	529253
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Custodian Trustee	The Northern College Trust Limited
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ADVISERS:

Auditors	Beever and Struthers One Express 1 George Leigh Street, Manchester, M4 5DL
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Solicitors	Veale Wasbrough Vizards LLP Second Floor, 3 Brindley Place, Birmingham B1 2JB
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Bankers	Triodos Bank Deanery Road Bristol BS1 5AS
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Investment Advisors	Brewin Dolphin 10 Wellington Place Leeds LS1 4AN
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Insurance Brokers	Edwards Insurance Brokers: Stonebridge House Kenilworth Road Meriden CV7 7LJ
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NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

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The Northern College Board of Governors present their annual report for the year ended 31 August 2023 under the Charities Act 2011, together with the audited accounts for the year, and confirm that the latter comply with the requirements of the Act, the Trust Deed and the Charities SORP (FRS 102).

REFERENCE AND ADMINISTRATIVE INFORMATION

The College was founded in 1843 and is registered with the Charity Commission under charity number 529253 dated 25th May 1961.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity is governed under a scheme adopted 9th April 2001 (amended by resolution dated 14th July 2003) which replaced earlier schemes.

Governing body

The Board of Governors includes members nominated by the United Reformed Church, the Congregational Federation and students of the College as well as Governors co-opted by the Board; the Principal is an ex officio Governor. (See page 1.)

Recruitment and training of Governors

Governors are appointed by the governing body on the basis of nominations received from The United Reformed Church, Congregational Federation and Student Body. A proportion is co-opted by the governing body itself. Through consultation with the nominating bodies the Board seeks to recruit persons with appropriate backgrounds that will help to maintain a balance of skills and experience within the governing body. All new Governors receive a pack of information which contains policies and other documents relevant to the governance and working of the College; in addition, they receive induction training from the Secretary or the Principal. Each year the College Governors normally have an extended meeting which, apart from essential business, is largely devoted to discussing with College staff, and others, the core work and the wider role of the College. In addition, time is regularly set aside at Board meetings for the discussion of policies and the strategic direction of the development of the College in accordance with its charitable objects.

Organisational management

The College Governors, as Trustees of the charity, are legally responsible for the overall management and control of the College and meet five times a year. They are supported by a Finance and Resources Committee (FRC) convened by the Treasurer which includes both Governors and other, co-opted, members. The Board of Governors takes responsibility for the academic and other educational standards of the College, and for the support of the teaching staff. FRC normally meets in advance of Governors' meetings in order to make recommendations and reports to the governing body. The day to day running of the College is delegated to the Principal. The standing committee is a group of three governors who may be called upon to deal with certain Human Resource and grievance procedures and as such meet only on an ad hoc basis when required.

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Group structure and relationships

The Northern College Trust Limited is the custodian Trustee of the College.

The College is a founding, stakeholding member of Luther King House Educational Trust (LKHET), to which the College has the right to appoint one director, working collaboratively with other colleges and training institutions to maintain the infrastructure of Luther King House and to develop educational programmes. The Principal is the college's nominated governor and trustee on the LKHET Board.

The financial relationships between other colleges, LKHET and Northern College have been kept under review and since the Covid-19 crisis. A number of meetings have been held by Zoom between the Principals of the college and governors/committee members with financial expertise to monitor the situation.

Risk management and assessment

The Board of Governors is responsible for consideration of ongoing risks faced by the College. The detailed work is delegated to FRC which has identified current risks and risk levels and taken steps to establish systems that will prevent or mitigate those risks. The risk policy is reviewed annually. (See below on the management of significant risks this year).

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable objects and principle activities

The object of the College is to advance the Christian religion in accordance with the tenets of the churches by providing education and training of men and women:

- candidates for the ministries of the churches
- ministers of, and lay people in, the churches
- ministers and lay persons from other denominations and in such other way as the Governors think fit.

The College's 'core business' is the fulfilment of the first part of this object, to provide education and training for ordination of stipendiary- and non-stipendiary Ministers of Word and Sacraments, and for commissioned ministry of Church-Related Community Work within the United Reformed Church and the Congregational Federation as appropriate. It fulfils this object in an ecumenical setting as a member of LKHET. Other aspects of the object are fulfilled by lay, and pre- and post-ordination/commissioning training offered to the wider United Reformed Church and Congregational Federation, and to other denominations (in particular the Moravian Church). The college also trains URC Assembly Accredited Lay Preachers and Maravian Lay Preachers.

The charity also maintains a variety of endowments whose objects are: to award bursaries to those students who are in need; and to award prizes.

The Development Plan is reviewed annually by the Board of Governors; its purpose is to:

- set out the present situation and work of Northern College;
- reflect on how the College is working to its charitable objective; and
- to look at potential future developments such as staffing levels, key partnerships and wider outworking of the charitable objective, in particular the serving of the wider churches.

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In addition to the regular review of the Development Plan, there is a meeting-by-meeting review of a rolling 'Action Plan' which distils the actions required to ensure the out-working of the Development Plan.

Aims and intended impact

The aim, in collaboration with other colleges within LKHET, is to provide appropriate education and training for ministerial and ministry of church-related community work students and lay people, including practical experience within churches and a variety of other environments. A further aim is to provide resources, funded by sponsoring bodies and the College's assets, to enable the aims and objectives to be achieved.

Objectives for the year

The focus has been on the continued provision of education for our students, church and community placements at home and abroad, to attend to the personal development of students and to encourage theological maturity and growth overseen by a system of personal tutoring.

During the academic year Northern College had 14 ministerial students and 17 lay students.

The College will also continue to support and increase the benefit to the wider church as it seeks to fulfil its objectives. This is a significant aspect of the public benefit of this Charity. In particular, offering lay training – Assembly Accredited Lay Preacher course, a Lay Preachers' Conference and bespoke training for the wider Church on topics such as worship, the Sacraments, the rites of passage, resilience and trauma. Lay training is becoming increasingly important in the United Reformed Church as the numbers of ministers is falling in relation to the number of worshipping communities.

Strategies to achieve the year's objectives

Strategies in place included the ongoing five-year cycle of sabbaticals for academic staff in order to maintain academic staff competencies. In addition, there was further development of links with a number of Synods of the United Reformed Church and with the Moravian Church. Through the work of the Principal and all the Tutors, the College continues to offer skills and experience into the wider Church.

During the year, the Governors took the decision to offer some limited funding to lay students in order to encourage student numbers across the different courses offered through Luther King Centre. No one accessed this funding this year.

Grant-making policy

The College gives grants as permitted by its charitable scheme and objects to students of the College. Grants are given as: hardship monies (normally up to a sum of approximately £1,000pa, though we did make additional provision in the past year in view of exceptional circumstances) to support students through financial crises, and to develop the part of our charitable objectives which refers to the further training of existing ministers who wish to engage in post-graduate research.

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Volunteers

The College's educational programme benefits considerably from voluntary inputs. These include Church and Community Placement Supervisors, members of Church Support Groups, Community Consultants and co-opted members of committees. Local church support is impossible to quantify, but in each academic year we estimate that between approximately 30 ministers, CRCW consultants and lay people benefit students on their educational programmes (particularly through practical placements) and support the work of the charity through membership of committees.

Operational performance of the College

During the year there have been 9 students for Stipendiary Ministry of Word and Sacrament (SM, 8 full-time and 1 part-time), 3 for Non-Stipendiary Ministry of Word and Sacrament (NSM, part-time), and 3 full-time for the ministry of Church-Related Community Work.

There have 4 students successfully completing their courses and they have all received a call to a pastorate or CRCW project. They will receive their leaving Certificates at the annual college service in September, affirming recommendation for ordination.

Ten AALP students began their two-year course this year. Seven continued their training. These students are being invited to integrate into other aspects of the life of the college to offer them further benefit in their courses (eg the College Away Day for ministerial students).

During the year all members of academic staff have served the wider church by the leading of worship, tutoring of courses and serving on national and synod committees. Some in the staff team contribute to international and national conferences and publications. These activities, together with work on the objects of the College, have kept Northern College in the denominational awareness within the United Reformed Church, and the British Province of the Moravian Church.

Northern College in collaboration with Luther King Centre has continued to make good use of online learning, which has increased availability of courses to our students. The weekend part-time programme continues to be taught by Zoom across six academic weekends for all LKC students, whilst the Northern College students have, in addition, three on-site residential weekends to support their personal development and preparation for ministry. The full-time mid-week course is taught on-site, with the exception of the Biblical languages and one level 5 module which continue as Zoom-taught.

The AALP course is a combination of three residential weekends per year, with nine or ten sessions by Zoom in the evenings. The needs of working students were all taken into consideration.

PRINCIPLE RISKS AND UNCERTAINTIES

Funding arrangements

The College's funding is a mixture of fee income from the denominations which sponsor students, income from the College's own investments and subscriptions and donations. The main strategy of the College is to maximise income through the work of the Finance and Resource Committee and to apply the resources so generated to develop the College in accordance with its object.

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The College works with the United Reformed Church, and other denominations where applicable, to ensure that the costs of student funding are met in full wherever possible. Regular dialogue and a shared sense of mission help to mitigate any risks.

The United Reformed Church has maintained contact with Northern College to ensure the college's funding needs are met by the input of additional funding.

The United Reformed Church has indicated that there will be a reduction to their funding for ministerial training across all the Resource Centres for Learning. The process of agreeing what this reduction will be and how it will be implemented has been ongoing, but unresolved this year. Northern College has been actively involved in these conversations.

Staff pension schemes

The College is a participating employer in the URC's ministers' and lay staff's pension schemes. Following the required consultation with staff, in March 2023, the URC closed both the existing pension schemes, and all pension arrangements were moved to a new Defined Contribution Scheme provided by AON.

Investment performance against objectives

The performance of the investment portfolios has continued to be reviewed by FRC on behalf of the Governors and met expectations. The markets have been steady through the financial year which has resulted in a positive movement on investments for the period, and a gain on investment of £20,498 (2022: loss of £819,845).

Investment performance continues to be a key risk especially considering market fluctuations from Brexit, Covid-19 and other world events. These will be monitored closely. Brewin Dolphin's representative has been invited to additional meetings to assist FRC in monitoring income.

LKHET

LKHET's business subsidiary (Luther King House Accommodation and Conference Services) has continued to see an increase in its business and income this year. They secured a favourable contract for the increased cost of electricity and gas. Northern College continues to have discussions with LKHET and Northern Baptist College to continue to monitor the business's needs.

- The recruitment of undergraduate students has been poor since 2020 resulting in low fee income, with the most significant issue being the fall in the number of independent students who have applied to join the undergraduate course, although applications for the new academic year are more buoyant. We are not yet sure whether this fall in numbers is a general decline, or whether this represents a Covid knock-on situation in the sense that people do not feel able to take on the responsibility for significant fees. The effect of the poor student numbers is that the business, despite the about-turn, cannot fully subsidise the educational losses. Mitigation has been taking place through increased marketing, which is showing some impact.
- The situation in respect of Northern College students has improved. The residential weekends for the part-time students have proved successful, with staff having more time overall to spend offering tutorial and training support. These actions will take some time to bear the fullest fruit, but there has already been a good upturn in applications/acceptances from independent students for the coming academic year.

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Educational Risk

- Durham University Common Awards scheme now validates all new undergraduate and MA students at the Luther King Centre. York St John's validates all new PhD students. The University of Manchester has continued to validate some MA students, but as of the next exam board they will no longer do so. The college believes students are benefitting from LKC being part of a wide-spread network of theological training for ministry with a validator and department specifically constituted for that purpose.

PUBLIC BENEFIT STATEMENT

The Governors have taken into account the Charity Commission guidance on public benefit and believe that the activities of the College are in line with that guidance.

The College provides university-validated courses of theological Christian education for those training for Ministry of Word and Sacrament, and of Church-Related Community Work.

Those training for accredited ministries are seldom able to use their education to advance their own material interests; their whole reason for entering training is to respond to the perceived call of God upon their lives to serve the needs of local congregations and communities. All students of the College begin this service in training placements throughout their course of training. Members of the College staff also assist existing ministers in 'Continuing Ministerial Development' by offering study facilities and tuition, including for the ministers' sabbatical renewal, in-service training, and in work towards higher degrees in contextual theology which by its very nature involves issues of church community development and service.

The Academic Staff of the College also contribute to the development of lay service and ministry across the United Reformed Church and other denominations by offering and supporting training events at venues across England and Wales. By increasing the number of Academic Staff, the College has further been able to contribute to the work of the wider Church.

The new AALP course is further benefit the people of the churches both directly (for those receiving training) and indirectly (within the churches where worship leading will be carried out).

NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

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FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Financial policy

The aim of the Governors is to finance the general activities of the College from fees paid for tuition, investment income and subscriptions and donations. If a shortfall does occur, it is covered by a transfer from the accumulated income. The Governors monitor the position carefully. The attached accounts have been prepared in accordance with the recommendations of the Statement of Recommended Practice for Charities issued by the Charities Commission.

The College's net outgoing resources of £86,875 for the year (2022: £79,421 outgoing) as set out in the Statement of Financial Activities (SOFA) were as follows:

	2023 £	2022 £
Investment income	147,158	134,409
Legacies	75	75
Operating (deficit)	<u>(234,108)</u>	<u>(213,905)</u>
	<u>(86,875)</u>	<u>(79,421)</u>
Gains / (losses) on investment assets	<u>20,498</u>	<u>(819,845)</u>
Net movement in funds	<u>(66,377)</u>	<u>(899,266)</u>

The Governors are confident that there are sufficient funds available from ongoing activities and accumulated income for the College to meet its financial commitments for the foreseeable future but will continue to monitor this situation closely.

Reserves policy

The Governors aim to achieve a reserves status sufficient to generate income to cover the expenditure required to continue the education of the current students over the remainder of their courses. The maximum course length is normally, at the present time, four years and the current annual expenditure is £603,007 (2022: £568,182). Governors estimate that the level of reserves required to generate a substantial level of income are c. £4,935,000. Such a level of reserves would also cover the amounts needed to cover the costs of winding up the charity. Individual funds reserves policies are detailed in the accounting policies in note 1.

Notes 15 to 18 to the financial statements show the assets and liabilities attributable to the various funds by type and describe the various restricted funds of the College and summarises the year's movements on each fund.

At 31st August 2023 the charity holds £6,761,075 (2022: £6,827,452) in reserves, of which £20,729 (2022: £25,564) are restricted funds and £318,373 (2022: £319,266) are endowment funds. A further £391,995 (2022: £401,463) are represented by tangible fixed assets leaving £6,029,978 (2022: £6,081,159) in free reserves. FRC and the Board of Governors keep the reserve policy under review. This brings further clarity in terms of monies that can be utilised in the outworking of the Development Plan.

The Governors' policy is, therefore, to continue to maintain reserves to an appropriate level by means of annual operating surpluses and judicious management of the investment assets.

NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

TRUSTEES REPORT

YEAR ENDED 31 AUGUST 2023

There have been significant challenges over the last two years, so that the financial relationship with LKHET is being robustly reviewed with regular meetings and consideration by both the NoCo Board and the LKHET Board. The URC is also reviewing its funding model in relation to the Colleges and this will become clearer during the course of the next year. Northern College has significant reserves, as noted above, and we are confident that we are in a position to respond to such changes. In addition, once these situations and relationships are clearer we will be in a position better to update the Reserves Policy which is kept under regular review.

Investment policy and objectives

The main objective for the funds of the College is to maintain future income constant in real terms. Prior to the review of funds in the year, the objective for funds in the Whalley Range Fund was to achieve capital appreciation. Following completion of the review, the investment policy will now be reconsidered and revised as appropriate.

The Governors' ethical investment policy, based on the recommendations of the United Reformed Church's advisory group, is not to invest in:-

- a) companies directly engaged in the manufacture or supply of weapons of destruction
- b) companies where a significant part of the business is in the supply of alcoholic drinks or tobacco products or military equipment (other than weapons of destruction); or the provision of gambling facilities; or the publication or distribution of pornography
- c) fossil fuel companies that are not compliant with the Paris 2015 recommendations for carbon emissions.

We will deem 'significant' to mean where the share of turnover derived from the activity concerned is more than around 10-20% of the company's total turnover.

In addition to the criteria listed the URC's investment bodies are encouraged to avoid investment in companies whose managed practices are deemed to be unacceptable or whose operations are deemed to:

- contribute to the oppressive nature of regimes which are guilty of gross human rights violations;
- contribute to a harmful impact on the social or natural environment;
- harm the society in which they operate more than they benefit it;
- promote injustice

Normally, the value of no individual equity investment should be more than 7.5% of the value in equities in both funds or 10% in either fund.

Brewin Dolphin manage the investments with full discretionary powers. The investments of the funds other than the Whalley Range Fund are held in a pooled fund for more effective management.

The Governors' policy is, therefore, to continue to maintain reserves to that level by means of annual operating surpluses and judicious management of the investment assets.

Arrangements for setting pay and remuneration of key management personnel

The Principal is the only remunerated member of the key management personnel team. Pay is reviewed annually by FRC and approved by the Governors. Mission Council of the URC Trust set the level of ministerial stipend each year. FRC use the level of stipend as a benchmark in setting the salary of the Principal.

NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

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YEAR ENDED 31 AUGUST 2023

FUTURE PLANS

The United Reformed Church looks to Northern College, Westminster College, Cambridge and the Scottish College to train ministers of Word and Sacraments and of church-related community work, as well as lay people. To support this work, Northern College intends:

- to continue to work in existing relationships within the United Reformed Church's whole learning environment, which includes not only the colleges but also lay training and continuing ministerial development offered through the Synods;
- to continue to deliver theological education and training for ministerial and lay students;
- to continue to work in partnership with LKHET to provide Durham University validated theological and ministerial education;
- to continue to support students through their ministerial training;
- to deliver and develop new forms of lay training; and
- to build further ecumenical relationships, specifically with the Moravian Church.

The combination of Zoom and on-site training (as set out above) will continue as it has proved popular with both Northern College and independent students, cutting down travel and travel costs (though the travel costs for Northern College students are refundable). This will continue, though we will keep under review the nature of the provision, and which modes of provision are appropriate to particular courses and particular cohorts of students on different pathways of training. The College Governors will also continue to monitor what financial support maybe offered to attract further lay students (or ministers doing further studies) into Northern College and LKC.

Both financial and educational matters will continue to be monitored closely, both within Northern College and together with Luther King House and the other colleges.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Charities Act 2011 requires the Governors as the Trustees of the College to prepare financial statements for each financial year which give a true and fair view of the College's financial activities during the year and of its financial position at the end of the year.

In preparing the financial statements the Governors should follow best practice and

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards and the Charities SORP; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the College will continue in operation.

The Governors are responsible for keeping accounting records which are such as to disclose, with reasonable accuracy, the financial position of the College at any time, and to enable them as Trustees to ensure that the financial statements comply with charity law. The Governors are also responsible for safeguarding the College's assets and ensuring their proper application in accordance with charity law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Revd J Grundy
Trustee
1 December 2023



NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF NORTHERN COLLEGE
(UNITED REFORMED AND CONGREGATIONAL)**

YEAR ENDED 31 AUGUST 2023

Opinion

We have audited the financial statements of the Northern College (United Reformed and Congregational) "the charity" for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

YEAR ENDED 31 AUGUST 2023

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report;
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 11, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

YEAR ENDED 31 AUGUST 2023

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of laws and regulations that affect the Company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Companies Act 2006 and tax legislation.
- We enquired of the Directors and reviewed Board meeting minutes for evidence of non-compliance with relevant laws and regulations.
- We enquired of the Directors about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations was discussed within the audit team and tests were planned and performed to address these risks.
- We enquired of the Directors about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's web-site at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF NORTHERN COLLEGE
(UNITED REFORMED AND CONGREGATIONAL)**

YEAR ENDED 31 AUGUST 2023

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Beever and Struthers

**Sue Hutchinson FCCA
Statutory Auditor**

**Beever and Struthers is eligible to act as an auditor in terms of section 1212 of the
Companies Act 2006**

One Express
1 George Leigh Street
Manchester
M4 5DL

Date: 05 February 2024

NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 AUGUST 2023

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2023 £	Total Funds 2022 £
INCOMING RESOURCES						
Incoming resources from generating funds:						
Voluntary income	2	1,555	-	-	1,555	1,837
Investment income	3	145,481	1,677	-	147,158	134,409
Incoming resources from charitable activities	4	367,419	-	-	367,419	352,515
TOTAL INCOMING RESOURCES		514,455	1,677	-	516,132	488,761
RESOURCES EXPENDED						
Raising funds	5	(25,260)	-	-	(25,260)	(27,218)
Charitable Activities	6	(571,307)	(6,440)	-	(577,747)	(540,964)
TOTAL RESOURCES EXPENDED		(596,567)	(6,440)	-	(603,007)	(568,182)
NET (EXPENDITURE) BEFORE GAINS, LOSSES AND TRANSFERS		(82,112)	(4,763)	-	(86,875)	(79,421)
OTHER RECOGNISED GAINS AND LOSSES						
Gains / (losses) on investment assets		21,463	(72)	(893)	20,498	(819,845)
TRANSFERS BETWEEN FUNDS		-	-	-	-	-
NET MOVEMENT IN FUNDS		(60,649)	(4,835)	(893)	(66,377)	(899,266)
RECONCILIATION OF FUNDS						
Total funds brought forward		6,482,622	25,564	319,266	6,827,452	7,726,718
TOTAL FUNDS CARRIED FORWARD		6,421,973	20,729	318,373	6,761,075	6,827,452

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.
All of the above amounts relate to continuing activities.

The notes on pages 19 to 30 form part of these financial statements.

NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

BALANCE SHEET

AS AT 31 AUGUST 2023

		2023		2022
		£	£	£
FIXED ASSETS				
Tangible assets	11	391,995		401,463
Investments	12	5,784,007		5,748,986
		<u>6,176,002</u>		<u>6,150,449</u>
CURRENT ASSETS				
Debtors	13	226,537		228,761
Cash at bank and in hand		376,611		475,590
		<u>603,148</u>		<u>704,351</u>
CREDITORS: Amounts falling due within one year	14	<u>(18,075)</u>		<u>(27,348)</u>
NET CURRENT ASSETS		585,073		677,003
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,761,075</u>		<u>6,827,452</u>
NET ASSETS		<u>6,761,075</u>		<u>6,827,452</u>
FUNDS				
Endowment funds	15	318,373		319,266
Restricted income funds	16	20,729		25,564
Unrestricted income funds	17	6,421,973		6,482,622
TOTAL FUNDS		<u>6,761,075</u>		<u>6,827,452</u>

The financial statements on pages 16 to 30 were approved by the Governors and authorised for issue on the 1 December 2023 and are signed on their behalf by:



Rev'd John R Grundy
President



Mr Michael Hart
Treasurer

The notes on pages 19 to 30 form part of these financial statements.

NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

BALANCE SHEET

AS AT 31 AUGUST 2023

		2023	2022
		£	£
FIXED ASSETS			
Tangible assets	11	391,995	401,463
Investments	12	5,784,007	5,748,986
		<u>6,176,002</u>	<u>6,150,449</u>
CURRENT ASSETS			
Debtors	13	226,537	228,761
Cash at bank and in hand		376,611	475,590
		<u>603,148</u>	<u>704,351</u>
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NET CURRENT ASSETS		585,073	677,003
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,761,075</u>	<u>6,827,452</u>
NET ASSETS		<u>6,761,075</u>	<u>6,827,452</u>
FUNDS			
Endowment funds	15	318,373	319,266
Restricted income funds	16	20,729	25,564
Unrestricted income funds	17	6,421,573	6,482,622
TOTAL FUNDS		<u>6,761,075</u>	<u>6,827,452</u>

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Rev'd John R Grundy
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NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

	2023	2022
	£	£
Net cash (used in) / provided by operating activities	(91,788)	219,703
Net cash used in investing activities		
Dividends and interest from investments	147,158	134,409
Acquisition of other investments	(381,929)	(793,020)
Disposal of other investments	227,580	477,348
Net cash provided by investing activities	(7,191)	(181,263)
(DECREASE) / INCREASE IN CASH	(98,979)	38,440
CASH AND CASH EQUIVALENTS AT THE START OF THE YEAR	475,590	437,150
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	376,611	475,590

RECONCILIATION OF NET OUTGOING RESOURCES BEFORE TRANSFERS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

Net (outgoing) resources before transfers	(86,875)	(79,421)
Dividends and interest from investments	(147,158)	(134,409)
Realised investment gains	139,824	359,803
Depreciation	9,468	10,774
Decrease in debtors	2,224	53,954
(Decrease) / increase in creditors	(9,271)	9,002
Net cash (used in) / provided by operating activities	(91,788)	219,703

The notes on pages 19 to 30 form part of these financial statements.

NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Northern College (United Reformed and Congregational) meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Accounting convention

The financial statements have been prepared on an accrual's basis under the historical cost convention and in accordance with applicable accounting standards. The accounts are prepared in pounds sterling.

Going Concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. There are no material uncertainties on the charity's ability to continue as a going concern. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

The college continues to respond to the needs of students, staff and the wider church. Teaching is provided in a mixture of online and onsite classes. FRC and Governors continue to meet primarily using Zoom with two meetings of the Governors on site. Both financial and educational matters continue to be monitored closely, both within Northern College and together with Luther King Centre and the other colleges, as well as with the wider church as needs for training continue to evolve.

Judgements and estimates

Where required the Governors make judgements, estimates and assumptions that affect amounts reported in the financial statements. However, the nature of estimation means that actual outcomes could differ from those estimates. The only significant judgements that has had a material effect on the amounts recognised in the financial statements is the allocation of the investment value across the funds of the charity.

Income from charitable activities

Incoming resources from charitable activity comprises mainly tuition fee income. Tuition fees are credited to income in the financial year to which they relate.

Voluntary income

Donations under gift aid, together with the associated income tax recovery, are recognised in the income when the donation is received.

Legacies are included as income on receipt.

NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

1. ACCOUNTING POLICIES (*continued*)

Awards and grants are credited to income in the financial year to which they relate.

Fixed assets

Land and buildings have been included in the financial statements at cost.

Depreciation is charged at the following rates:

Buildings	2% on cost
Fixtures & Fittings	33.3% on written down value

Items over £2,500 are capitalised.

Investment income

Dividends are credited to the statement of financial activities when they are receivable. Investment income, realised and unrealised gains on the collective fund is allocated in line with the relative size of the fund. Credit is taken for interest in the financial year to which it relates.

Investment assets

Investment assets are stated at the market value. Market value is based on middle market value.

Pension costs

During the year, the College participated in the United Reformed Church Ministers Pension Fund and the URC Staff Pension Scheme, all multi-employer defined benefit schemes whose assets are managed independently of the College and the Pensions Trust Growth Plan a defined contribution pension scheme. The College is unable to identify its share of the underlying assets and liabilities and consequently the funds are all treated as defined contribution schemes. The amount charged in respect of the pension costs, the contributions payable in the year are included within the appropriate expenditure heading in the Statement of Financial Activities

Allocation of costs

Whenever possible expenditure is allocated to an activity cost category. Where items of expenditure contribute directly to more than one activity cost, they are apportioned on a reasonable, justifiable and consistent basis. Management and administration costs are also, wherever possible, attributed to a single activity but where apportionment is required this is done on a reasonable, justifiable, and consistent basis. Governance costs comprise the costs of running the charity, including strategic planning for its future development, external audit, any legal advice for the College's Governors, and all the costs of complying with the constitutional and statutory requirements, such as costs of Governor and Committee meetings and of preparing the statutory accounts and satisfying public accountability.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

1. ACCOUNTING POLICIES (*continued*)

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of 31 days or less from the date of acquisition or opening of the deposit or similar account.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

Reserves

The policies for restricted endowment income funds are as follows:

Bursary Fund including Churches of Christ

The Governors use the income of the Bursary Fund for student support in conjunction with grants from sponsoring churches

Prize Fund

The income from this fund is used to award prizes to the students

Library Fund

The income from this fund is applied to provide library facilities. Transfers are also made from the general funds to meet these costs.

Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2. VOLUNTARY INCOME

	Unrestricted funds £	Total funds 2023 £
Donations	1,480	1,480
Legacies	75	75
	<u>1,555</u>	<u>1,555</u>

	Unrestricted funds £	Total funds 2022 £
Donations	1,762	1,762
Legacies	75	75
	<u>1,837</u>	<u>1,837</u>

NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

3. INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Bank interest receivable	8,941	-	8,941
Other interest receivable	6,394	-	6,394
Other investment income	130,146	1,677	131,823
	<u>145,481</u>	<u>1,677</u>	<u>147,158</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Bank interest receivable	889	-	889
Other interest receivable	2,370	-	2,370
Other investment income	129,762	1,388	131,150
	<u>133,021</u>	<u>1,388</u>	<u>134,409</u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2023 £	2022 £
URC student and RCL funding	340,262	337,098
Moravian student fees	-	4,733
URC lay preaching	17,000	7,235
Other income	10,157	3,449
	<u>367,419</u>	<u>352,515</u>

5. COST OF RAISING FUNDS

	Unrestricted funds £	Total funds 2023 £
Investment management costs	25,260	25,260
	<u>25,260</u>	<u>25,260</u>

	Unrestricted funds £	Total funds 2022 £
Investment management costs	27,218	27,218
	<u>27,218</u>	<u>27,218</u>

NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

6. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Training for mission and ministry	370,423	-	370,423
Support costs	200,884	6,440	207,324
	<u>570,307</u>	<u>6,440</u>	<u>577,747</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Training for mission and ministry	353,393	-	353,393
Support costs	179,861	7,710	187,571
	<u>533,254</u>	<u>7,710</u>	<u>540,964</u>

7. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

		Activities undertaken directly £	Governance & support costs £	Total Funds 2023 £
Training for mission and ministry		370,423	190,788	561,211
Governance costs	8	-	16,536	16,536
		<u>370,423</u>	<u>207,324</u>	<u>577,747</u>
		Activities undertaken directly £	Governance & support costs £	Total Funds 2022 £
Training for mission and ministry		353,393	173,586	526,979
Governance costs	8	-	13,985	13,985
		<u>353,393</u>	<u>187,571</u>	<u>540,964</u>

NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

8. GOVERNANCE & SUPPORT COSTS

	Unrestricted Funds £	Total Funds 2023 £
Admin staff costs and expenses	44,089	44,089
Treasurer and secretary expenses	1,248	1,248
College houses expenses and rates	11,285	11,285
Staff housing and relocation costs	27,460	27,460
Library block charge	59,000	59,000
Principal's emergency fund	1,260	1,260
Prizes, bursaries and scholarship	21,440	21,440
Telephone costs	3,686	3,686
Printing, postage and stationery	2,083	2,083
IT costs / maintenance	6,699	6,699
Advertising costs, inc website	2,757	2,757
Payroll processing costs	313	313
Depreciation	9,468	9,468
<i>Governance Costs:</i>		
Audit and accountancy fees	8,022	8,022
Legal and professional fees	4,040	4,040
Costs of Trustees' meetings	4,230	4,230
Other financial costs	244	244
	<u>207,324</u>	<u>207,324</u>

	Unrestricted Funds £	Total Funds 2022 £
Admin staff costs and expenses	54,881	54,881
Treasurer and secretary expenses	665	665
College houses expenses and rates	4,000	4,000
Staff housing and relocation costs	24,250	24,250
Library block charge	34,000	34,000
Principal's emergency fund	1,205	1,205
Prizes, bursaries and scholarship	19,273	19,273
Telephone costs	3,657	3,657
Printing, postage and stationery	2,264	2,264
IT costs / maintenance	5,327	5,327
Advertising costs, inc website	13,021	13,021
Payroll processing costs	269	269
Depreciation	10,774	10,774
<i>Governance Costs:</i>		
Audit and accountancy fees	8,658	8,658
Legal and professional fees	663	663
Costs of Trustees' meetings	4,392	4,392
Other financial costs	272	272
	<u>187,571</u>	<u>187,571</u>

NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

9. NET OUTGOING RESOURCES FOR THE YEAR

This is stated after charging:

	2023 £	2022 £
Auditors' remuneration:		
• audit of the financial statements	8,070	7,270
• preparation of the financial statements	<u>1,541</u>	<u>1,388</u>

10. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2023 £	2022 £
Wages and salaries	211,681	219,793
Social security costs	20,908	18,287
Pension costs	<u>43,342</u>	<u>64,222</u>
	<u>275,931</u>	<u>302,302</u>

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents (FTE) and actual headcount (HC), was as follows:

	2023 FTE No.	2023 HC No.	2022 FTE No.	2022 HC No.
Teaching and related staff	5	5	5	5
Administration staff	1	1	1	1

No employee received remuneration of more than £60,000 during the year (2022 - £60,000).

14 Trustees were reimbursed expenses totalling £1,390 (2022: 13 trustees £1,490) in relation to travel expenses. The Principal (a Trustee) was reimbursed £2,245 (2022: £2,848). These expenses were in relation to the role of Principal.

Key management personnel comprise the Trustees and the Principal. The Principal is the only Trustee remunerated by the College. This is in relation to the role of Principal. No remuneration was paid in connection with the role as Trustee. Remuneration amounted to £84,060 (2022: £52,986). Employers' pension contributions included in this total, amounted to £14,599 (2022: £9,295).

NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

11. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures & Fittings £	Total £
COST			
At 1 September 2022	465,000	20,058	485,058
Additions	-	-	-
At 31 August 2023	<u>465,000</u>	<u>20,058</u>	<u>485,058</u>
DEPRECIATION			
At 1 September 2022	63,705	19,890	83,595
Charge for the year	9,300	168	9,468
At 31 August 2023	<u>73,005</u>	<u>20,058</u>	<u>93,063</u>
NET BOOK VALUE			
At 31 August 2023	<u>391,995</u>	-	<u>391,995</u>
At 31 August 2022	<u>401,295</u>	<u>168</u>	<u>401,463</u>

12. INVESTMENTS

Movement in market value

	2023 £	2022 £
Market value at 1 September 2022	5,748,986	6,612,962
Acquisitions at cost	381,929	793,020
Disposals at carrying value	(227,580)	(477,348)
(Losses) on revaluation	(119,328)	(1,179,648)
Market value at 31 August 2023	<u>5,784,007</u>	<u>5,748,986</u>

All investments above are held at market valuation.

Analysis of investments at 31 August 2023 between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2023 £	Total Funds 2022 £
Listed investments					
UK Quoted fixed interest Securities	<u>5,740,628</u>	<u>3,273</u>	<u>40,106</u>	<u>5,784,007</u>	<u>5,748,986</u>

NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

13. DEBTORS

	2023	2022
	£	£
Trade debtors	3,233	6,933
Loans to Luther King House Educational Trust	213,331	213,331
Prepayments and Accrued Income	9,973	8,498
	<u>226,537</u>	<u>228,761</u>

The Trustees consider that debtors totalling £213,331 will be repayable after one year

14. CREDITORS: Amounts falling due within one year

	2023	2022
	£	£
Taxation and social security	5,853	5,403
Accruals and deferred income	12,222	16,433
Pension liability	-	5,512
	<u>18,075</u>	<u>27,348</u>

15. ENDOWMENT FUNDS

	Balance at 1 Sep 2022 £	Transfers £	Gains and (losses) £	Balance at 31 Aug 2023 £
Permanent endowments				
Bursary Fund	248,110	-	(694)	247,416
Prize Fund	11,013	-	(30)	10,983
Library Fund	60,143	-	(169)	59,974
	<u>319,266</u>	<u>-</u>	<u>(893)</u>	<u>318,373</u>

	Balance at 1 Sep 2021 £	Transfers £	Gains and (losses) £	Balance at 31 Aug 2022 £
Permanent endowments				
Bursary Fund	250,518	-	(2,408)	248,110
Prize Fund	11,120	-	(107)	11,013
Library Fund	60,727	-	(584)	60,143
	<u>322,365</u>	<u>-</u>	<u>(3,099)</u>	<u>319,266</u>

NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

16. RESTRICTED INCOME FUNDS

	Balance at 1 Sep 2022	Incoming resources	Outgoing resources and transfers	Gains, losses and transfers	Balance at 31 Aug 2023
	£	£	£	£	£
Bursary Fund	22,986	1,319	(6,040)	(64)	18,201
Prize Fund	(456)	51	(400)	-	(805)
Library Fund	3,034	307	-	(8)	3,333
	<u>25,564</u>	<u>1,677</u>	<u>(6,440)</u>	<u>(72)</u>	<u>20,729</u>

	Balance at 1 Sep 2021	Incoming resources	Outgoing resources and transfers	Gains, losses and transfers	Balance at 31 Aug 2022
	£	£	£	£	£
Bursary Fund	29,383	1,095	(7,210)	(282)	22,986
Prize Fund	-	44	(500)	-	(456)
Library Fund	2,813	249	-	(28)	3,034
	<u>32,196</u>	<u>1,388</u>	<u>(7,710)</u>	<u>(310)</u>	<u>25,564</u>

17. UNRESTRICTED INCOME FUNDS

	Balance at 1 Sep 2022	Incoming resources	Outgoing resources and transfers	Gains, (losses) and transfers	Balance at 31 Aug 2023
	£	£	£	£	£
General Funds	<u>6,482,622</u>	<u>514,455</u>	<u>(596,567)</u>	<u>21,463</u>	<u>6,421,973</u>

	Balance at 1 Sep 2021	Incoming resources	Outgoing resources and transfers	Gains, losses and transfers	Balance at 31 Aug 2022
	£	£	£	£	£
General Funds	<u>7,372,157</u>	<u>487,372</u>	<u>(560,473)</u>	<u>(816,434)</u>	<u>6,482,622</u>

NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Endowment funds £	31 Aug 2023 Total £
Tangible fixed assets	391,995	-	-	391,995
Investments	5,740,628	3,273	40,106	5,784,007
Net current assets	289,350	17,456	278,267	585,073
	<u>6,421,973</u>	<u>20,729</u>	<u>318,373</u>	<u>6,761,075</u>

	Unrestricted funds £	Restricted funds £	Endowment funds £	31 Aug 2022 Total £
Tangible fixed assets	401,463	-	-	401,463
Investments	5,708,823	3,647	36,516	5,748,986
Net current assets	372,336	21,917	282,750	677,003
	<u>6,482,622</u>	<u>25,564</u>	<u>319,266</u>	<u>6,827,452</u>

19. RELATED PARTY TRANSACTIONS

Details of transactions with Trustees are provided at note 10.

The College is a founding, stake holding member of Luther King House Educational Trust (LKHET), to which the College has the right to appoint one director, working collaboratively with other colleges and training institutions to maintain the infrastructure of Luther King House and to develop educational programmes. Rosalind Selby, the former Principal and a member of key management personnel, is the college's nominated governor and trustee on the LKHET Board. At each meeting of the LKHET Board and the NoCo Board, the Principal's conflict of interest is declared and noted. During the previous year, the following transactions took place between LKHET and the College: Loan advance of £75,000. The balance outstanding to the College at the year end was £213,331 (2022: £213,331).

NORTHERN COLLEGE (UNITED REFORMED AND CONGREGATIONAL)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

20. Analysis of changes in Net Debt

	At 1 Sept 2022 £	Cashflows £	At 31 Aug 2023 £
Cash at bank and in hand	<u>475,590</u>	<u>(98,979)</u>	<u>376,611</u>

	At 1 Sept 2021 £	Cashflows £	At 31 Aug 2022 £
Cash at bank and in hand	<u>437,150</u>	<u>38,440</u>	<u>475,590</u>